

CABINET

Minutes of the Cabinet meeting held in the Town Hall, Rhyl on Tuesday 27 January 2004 at 10.00 a.m.

PRESENT

Councillors P A Dobb, Lead Member for Health & Wellbeing; E C Edwards, Lead Member for Safeguarding our Communities; M A German, Lead Member for Sustainable Development and Environment; G M Kensler, Lead Member for Promoting Denbighshire; R W Hughes, Lead Member for Lifelong Learning; D M Morris, Lead Member for Communications; E A Owens, Lead Member for Finance; J A Smith, Lead Member for Social Inclusion, W R Webb, Lead Member for Property and Asset Management and E W Williams, Lead Member for Economic Wellbeing.

Observers: Councillors M L Davies, S Drew, D Jones, N Hugh Jones, M M Jones, R E Jones, R J R Jones and P O Williams.

ALSO PRESENT

Chief Executive; Deputy Chief Executive / Corporate Director: Resources; Financial Controller and the County Clerk.

875 URGENT MATTERS

[i] Item 9 Managing School Places - a revised report was circulated.

876 MINUTES OF THE CABINET

The Minutes of the Cabinet meeting held on 13 January 2004 were submitted.

Item 3 Revenue Budget - Page 4 second paragraph - Councillor E A Owens asked that the second sentence be amended to read "...Children's Services budget could be expected to produce savings."

Item 3 Revenue Budget - Page 4 sixth paragraph - Councillor R W Hughes asked that an additional sentence be included "The Corporate Director: Lifelong Learning informed Members that Lifelong Learning Directors of all Wales Authorities would be writing to the Assembly regarding the cuts in GEST funding."

RESOLVED that subject to the above, the Minutes of the Cabinet meeting held on 13 January 2004 be approved as a correct record and signed by the Deputy Leader.

877 IMPROVING HOUSING STOCK

The County Clerk confirmed that Councillor J A Smith would be able to vote on the item although he was a designated member of the Working Party.

The Deputy Leader welcomed Mr John Patterson, Tenant's Representative and member of the Working Party to the meeting.

Councillor P A Dobb presented the report detailing the progress on reviewing options for the funding of improvements to the housing stock required by 2012. Cabinet were asked to recommend to Council which option should be adopted in order to fund improvements to the housing stock:

[a] stock transfer to a newly formed local housing company or

[b] retention of the housing stock and funding of improvements required via prudential borrowing.

Councillor E A Owens expressed her concern on the need for Cabinet to make a decision on the item. The Chief Executive said Cabinet should endeavour to make a recommendation to Council so that there was a clear focus for debate but the final decision would be made by Full Council.

Councillor P A Dobb expressed her concerns that the costs for prudential borrowing could increase rents by an average of 8.06% each year until 2012 and asked whether the tenants would pay the increased rents. She informed Members that the working party had worked diligently on possible housing stock transfer and were in favour of transfer to Dyffryn Community Housing. The transfer to Dyffryn Community Housing could mean an average increase of 4.07% a year and the homes would be improved to the standard required. Councillor Dobb drew Members' attention to paragraph 4.8 of the report and said that capital receipts of £2.1m would be received by Council from the preserved right to buy sales which would fund improvements in the Council Fund if stock transfer was agreed.

Councillor E A Owens said the implications of housing stock transfer was 1.5% - 4% extra on the Council Tax which would have an impact on future spending on services, which could mean an additional burden on each Council Tax payer. Councillor Owens emphasised that if housing stock was transferred to Dyffryn Community Housing, the Association would not be bound to buy any services from the Authority. However, there would be some capital benefit to the Authority from a stock transfer to the Association which would not occur with prudential borrowing.

Mr J Patterson detailed the views of the tenants and said they appreciated how difficult the decision was. However, he said a possible 100% increase in rents over 8 years, if the Authority opted for prudential borrowing, to bring the stock up to the required standard was unfair. He said the tenants would prefer to make the decision on stock transfer or prudential borrowing.

Councillor R W Hughes said all Councillors were agreed how important it was to fund repairs to housing stock and that this was a bigger issue than increases in rents. She said all Councillors should debate the matter fully and make the decision. Councillor Hughes said that other Authorities did not appear to favour stock transfer and she would be in favour of prudential borrowing.

Councillor G M Kensler expressed her concerns particularly with regard to paragraph 4.2 confirmation still awaited from WAG regarding unused provision for bad debt remaining with the Authority, paragraph 4.4 other unquantified costs and paragraph 4.5 that WAG have stated only in principle the funding of up to 50% of reasonable pre-ballot costs.

In response to a query, the County Clerk confirmed that Cabinet would provide a steer and would be making a recommendation to Council, with the final decision resting with Full Council. He said Council would note the Cabinet's debate and a steer from Cabinet would be of assistance in the decision making process. He reminded Members that, if stock transfer was the preferred option, the final decision would rest with the tenants but, if prudential borrowing was preferred, the tenants would have no decision to make.

The Head of Housing Services informed Members that tenants would have any rent increases paid if they were in receipt of housing benefit, within certain limits and it was expected any increases in benefit for the next 8 years at current levels would be paid by the Department of Work and Pensions to the Local Authority.

The Chief Executive thanked the staff for the detailed report and said much work had gone into producing the report. He asked that the report to Council should include the number of tenants currently in receipt of benefits and also the number of pensioner tenants. Turning to the right to buy level, the Chief Executive said the model assumed that this could be as high as 1,000 over the next 10 years.

Councillor G M Kensler abstained from voting.

RESOLVED that Cabinet recommend to Council the retention of the housing stock and funding of improvements required via prudential borrowing.

878 HOUSING REVENUE ACCOUNT: REVENUE AND CAPITAL BUDGETS 2003-2004 AND 2004-2005

Councillor P A Dobb presented the report seeking Members' agreement to set the Housing Revenue Account budgets and increase rents.

Councillor E A Owens reminded officers that the report should also be in the name of the Lead Member for Finance.

Members were informed that rebalancing of the rents between the north [higher rents] and south [lower rents] of the County was continuing.

RESOLVED that Members agree:

- [a] that the Housing Revenue Accounts, Capital and Revenue be adopted.
- [b] that rents for Council dwellings be increased in accordance with the amended Rent Setting Policy in Section 2.5.8 of the report (average 4.1%) from Monday 5 April 2004.
- [c] that rents for Council garages be increased by 10p per week with effect from Monday 5 April 2004.
- [ch] if the Council adopts Prudential borrowing as the preferred option to improve the housing stock, then a further report be presented on additional rent increases and associated capital programme and estimates.
- [d] if the Council adopts stock transfer as the preferred option to improve the housing stock, then a further report be presented detailing amendments to the 2004/05 HRA budget and capital programme.

879 POLICY AGREEMENTS

Councillor E W Williams presented the report seeking Members' agreement to the proposed national and local indicator information to form the basis for the Authority's policy agreement with the Welsh Assembly Government as listed in the appendix to the report.

Councillor P A Dobb asked how Social Services in particular were expected to meet the targets set, when the £720k special care grant had been allocated elsewhere. In particular how was the Authority to achieve NAWPI 3.13 the number of older people 65 or over helped to live at home per 1000 population, without more investment. She said unnecessary pressures were being put on the Department.

Councillor G M Kensler said the number 2 local indicators on page 6 were vague and asked how they would be measured. The Chief Executive confirmed that only one health indicator was required and Cabinet could make the decision which would be adopted. He said his recommendation was for the healthy living scheme which incorporated advice and information on nutrition, the walking to health scheme adopted in Rhyl etc.

Councillor E W Williams said this was not the final list of indicators and the Corporate Director: Resources would be checking all the figures.

RESOLVED that:

- [a] Members approve the indicators detailed in the appendix to the report as a basis from which to open up discussion with the Assembly, subject to being assured of the level of available finance to fund the targets.
- [b] Cabinet agrees a consultation programme on these proposals with the Scrutiny Committees, the business sector and the Voluntary Sector.

[c] *the Corporate Director: Resources carries out a quality check on all of the figures in the attachment.*

880 REVENUE BUDGET 2003-2004

Councillor E A Owens presented the report which advised Members that all the pressures identified after 31 December 2003 would have to be met by Directorates but that the projected overspend of £605k at end December 2003 could be absorbed by in year savings on capital financing costs. A review of Capital Finance and Corporate budgets had been undertaken and revealed savings on interest costs, improved cash flow and slippage in capital payments. This would result in a saving in excess of the projected overspend.

RESOLVED that Cabinet note the figures in the appendices and note that actions would be required to ensure the achievement of the 2003/2004 revenue budget strategy to contribute £1.0m to balances.

881 REVENUE BUDGET 2004-2005

Councillor E A Owens presented the report for Members to:

- [a] note and agree the updating of the bids for additional funding in 2004/05, as detailed in appendix 2 of the report, following an exercise to firm up on the detailed budget position
- [b] note and agree the impact of these changes as reflected in Appendix 1, and recommend the overall proposals to Council.
- [c] note the potential impact of the reduction in GEST funding in the next financial year
- [ch] note that in accordance with S45A of the Schools Standards & Framework Act 1998, Members agree the provisional Schools Budget for 2004/2005.

Councillor Owens detailed the changes from the previous report, in particular an adjustment to the provision for increased costs of private care providers, the reduced grant for SALT and funding for additional specialist audit needs.

Councillor Owens reported that a review of capital financing costs had indicated a reduced requirement in the next financial year although this was subject to interest rate movements. The balance of the PI Grant had also been utilised. The impact on the Council Tax for the following year could be reduced to 4.5% although a number of residual bids still required consideration. Costed options were required for Council. If a 4.5% Council Tax increase was achieved, this would guarantee a minimum programme. With regard to the GEST funding, Councillor Owens stressed how important it was for the Minister to see the effect of the cut in funding.

Councillor P A Dobb said the level of increase for private care providers at only 6% could lead to the possibility of homes closing. Councillor Owens suggested Council could be asked for their support on this funding.

Councillor W R Webb suggested Members should consider leaving the 6.1% Council Tax increase as previously recommended which could help with funding the Personal Services' budget. Council had not suggested the level of Council Tax increase should be reconsidered. Councillor Owens said her understanding had been to reconsider the requirements of front line services and leave County Council some room to manoeuvre on the final level of Council Tax.

Councillor E W Williams said Members could consider putting say £200k into prudential borrowing which would allow for development of services. Councillor G M Kensler referred to the unconfirmed ELWa funding for 6th form costs and also the suggestion of additional capital expenditure through the prudential borrowing scheme.

Councillor R W Hughes referred to school transport and in particular to the safety aspects. She suggested the formation of a task and finish group to consider all aspects of school transport including misconduct by pupils, vehicle maintenance, driver training etc and the need for a phased programme of improvements.

Councillor E C Edwards referred to Brynhyfryd School and said the current problems with regard to health and safety had been resolved. However he understood there were similar concerns regarding many of the schools in Denbighshire and reminded Members that there would be extra pressures on the Education Department.

The Corporate Director: Lifelong Learning stressed the impact the 30% reduction in the GEST funding from 01.04.2004 would have as there was a historical dependency on this funding to deliver services.

Owing to the ELWa funding figures not having been confirmed, the Chief Executive said Denbighshire would only be able to respond to the Welsh Assembly Government with provisional information on the schools' budget by the closing date.

In response to a query from Councillor E W Williams, the Chief Executive said that if Council opted for prudential borrowing for housing, it would impact on housing rents but not the Council budget.

RESOLVED that:

- [a] Members note and agree the updating of the bids for additional funding in 2004/2005, as detailed in appendix 2 attached to the report, following an exercise to firm up on the detailed budget position.*
- [b] Members note and agree the impact of these changes as reflected in Appendix 1, and recommend the overall proposals to Council.*
- [c] Members note the potential impact of the reduction in GEST funding next financial year.*
- [ch] in accordance with S45A of the Schools Standards & Framework Act 1998, Members agree the provisional Schools Budget for 2004/2005.*
- [d] a task and finish group for school transport be established as suggested by Councillor R W Hughes.*

At this juncture (11.30 a.m.) the meeting adjourned for 10 minutes to allow Members to participate in refreshments.

882 SPORT AND RECREATION SERVICES BEST VALUE REVIEW

Councillor G M Kensler presented the report seeking Members' consideration of the Best Value review prior to final inspection by the Audit Commission, including receiving a report on the 4Cs of Best Value [Challenge, Consult, Compare and Compete], agreeing service delivery options and approving a Sport and Recreation Services Improvement plan. Councillor Kensler welcomed Mark Harwood, APSE to the meeting and thanked him and the Sport and Recreation team for their report.

Councillor R W Hughes expressed her thanks for the comprehensive report and said the Leisure Department were providing good services in Denbighshire.

Councillor E W Williams said the recreation centres should be linked in with schools and suggested setting up a task and finish group to consider joint working between school canteens and leisure centre cafes. He also suggested the group consider any available income stream.

Councillor W R Webb said he was pleased with the report but reminded Members that, if funding was available, it was also equally important to fund residential homes.

Councillor E A Owens said the 40% arrangements with leisure centre funding and opening hours to the public should be reviewed to ensure the public gain maximum access to the centres. Councillor G M Kensler agreed that dual use agreements should be considered.

Councillor E C Edwards also congratulated the staff on their achievements. He said shared facilities were a way forward but security for children and young people was of paramount importance and the necessary funding needed to be in place to resolve any problems with security measures.

RESOLVED that Cabinet:

[a] endorse the assessment of the 4 C's of Best Value (Challenge, Consult, Compare and Compete) in respect of Sport and Recreation Services.

[b] agree to retain in house delivery of Sport and Recreation Services.

[c] approve the Sport and Recreation Services Improvement Plan.

[d] recommend the Leisure Centres' Capital Improvement Plan to Council for inclusion in the Council's Capital Plan.

883 MANAGING SCHOOL PLACES REVIEW

Revised report circulated to all Members.

Councillor R W Hughes presented the report requesting Members to endorse the approach and project plan in light of the WAG guidance on School Organisation Proposals. Members were also asked to note the dependency of future progress on resource availability and the indicative budget modelling.

The Project Manager for Managing School Places detailed the time and task constraints and said meetings had been held with staff, parents and the community in Denbigh but had been poorly attended. A further meeting had been rescheduled for the following month. He said the project would necessarily slip by a few weeks. He went on to detail the three possible scenarios arising from the review, as detailed in Annex 1 to the report.

Councillor W R Webb said no figures were included on rural school capacity. Therefore Members could not make any decision on the report. He asked why one rural school had been vacated 12 months earlier but had not been declared surplus to requirements by the Education Department, thus enabling its possible disposal by the Asset Management Committee. The Chief Executive gave an undertaking that there would be a report to the Asset Management Committee on 6 February 2004 to seek possible disposal of the site.

After further discussion Members agreed to delete the third and fourth Recommendations.

RESOLVED that Members note the project progress to date and endorse the approach and the project plan.

884 YOUTH CLUB BUILDINGS

Councillor J A Smith presented the report seeking Members' confirmation of priorities for action as detailed in the report.

RESOLVED that Members confirm the priority list outlined in section 2 of the report (Reasons for Making the Decision priority list numbered 1-7).

885 ACCOMMODATION FOR THE REGISTRAR IN NORTH DENBIGHSHIRE

Councillor W R Webb presented the report seeking Members' consideration of the options for relocating the Registrar's Service from Morfa Hall, Rhyl, and approve a solution and funding for it in the proposed

capital plan for 2004-2005. He suggested the most appropriate venue for the Service was the Botanical Gardens.

Councillor R W Hughes said the Botanical Gardens was by far the best site and many wedding parties currently went to the Gardens to take photographs.

Councillor E A Owens said many of the residents and all Rhyl Councillors were against housing the Service in the Botanical Gardens and a petition had been received against the move to the Gardens. She said the Gardens had been left to the residents to be used as a community facility. Councillor G M Kensler said Cabinet should note the views of the residents.

RESOLVED that Members:

[a] note the urgent need to relocate the Registrar's Service from Morfa Hall, Rhyl

[b] consider the available options

[c] authorise Officers to proceed with relocating the Service to the Morfa Clwyd Business Centre, with a best value review to be undertaken in two years' time to examine all the options for the future

[ch] recommend to Full Council the allocation of sufficient funding to effect the move within the proposed 2004 / 2005 Capital Plan and (in the case of Morfa Clwyd) revenue budget

886 CUSTOMER SERVICE CENTRE / CUSTOMER RELATION MANAGEMENT SYSTEM

Councillor D M Morris presented the report seeking approval to a capital and revenue bid to allow progression towards implementing a Customer Service Centre and associated Customer Relation Management [CRM] system. Councillor Morris said the £12k unlimited seat package should be progressed and a review carried out for the best direction in the long term. Members had been invited to attend a presentation on the system and centre on 25.02.2004.

Councillor R W Hughes reminded Members it was essential that staff from the One Stop Shops be involved with and become an integral part of the centre as they had much experience with this work.

The Head of ICT outlined to Members the full closed loop system and detailed the need for a project manager.

Members agreed the need for a further report to include the various options and full costings on the systems.

RESOLVED that Cabinet agrees to propose the allocation of the funding required to progress Option 3 detailed in the report for the implementation of a Customer Service Centre / Customer Relationship Management system, subject to final ratification of its decision at its meeting on 23 March 2004.

887 DECRIMINALISATION OF ON STREET CAR PARKING

Councillor M A German presented the report seeking Members' agreement to Penalty Charge Notice [PCN] levels, contravention codes and to agree to entering a joint committee with the National Parking Adjudication Service.

Members expressed their concern at illegal parking which affected businesses but said, if problems arose with loading, businesses could discuss enforcement with officers.

The Chief Executive reminded Members that an Adjudication Service had to be established in order that it could receive and adjudicate on appeals. In response to a query on the charges, he said there was a 50% discount on the £60 fine offered if payment of £30 was received within 14 days. The level of fines is no higher to that levied previously by the Police.

In response to a query from Councillor E C Edwards, the Corporate Director: Environment confirmed Ruthin had the only car park study presently being carried out in the County.

Councillors P A Dobb and W R Webb voted against the proposal.

RESOLVED that Members agree that the Penalty Charge Notice level be set at £60.00 and the contravention codes shown in Appendix 1 of the report be adopted. Members further agree to enter into the joint committee for the National Parking Adjudication Service.

888 CORPORATE PARENTING - REPORT BACK ON THE CORPORATE PARENTING TRAINING EVENT FACILITATED BY SYNIAD

Councillor J A Smith presented the report seeking Members' endorsement of the recommendations and specific actions arising from the corporate parenting training event. Members were also asked to agree that a Social Services Practice Review Forum be established, as detailed in the report.

RESOLVED that Members endorse the recommendations and specific actions arising from the corporate parenting training event. Members also agree that a Social Services Practice Review Forum be established, as detailed in the report.

889 SCHOOL AND COLLEGE TRANSPORT POLICY

Councillor N Hugh Jones, Chair Lifelong Learning Scrutiny Committee presented the report requesting Cabinet to review its previous decision that, in respect of denominational schools, free transport would be provided only where the religious education provided is that of the religion or denomination to which the pupil's parent adheres.

Members discussed the possibility of a future policy change and agreed to pursue possible policy change in the future. The Chief Executive said consultation would be carried out and a report brought to Cabinet on any proposed changes for 2005.

RESOLVED that Cabinet:

[a] reconsider its earlier decision to agree to amend the wording of the school transport policy in terms of the definition of "appropriate school" so that, in respect of denominational schools, free transport will be provided only where "the religious education provided is that of the religion or denomination to which the pupil's parent adheres", on the grounds that (1) no consultation has taken place with those likely to be affected and (2) Cabinet did not have before them all relevant information on which to base an informed decision

[b] consult on amending the School Transport Policy so that with effect from September 2005 the definition of "appropriate school" be amended as resolved on 22.07.2003, this change clarifying when free transport is to be provided in respect of denominational schools and Welsh medium schools

[c] considers a further report in good time before parents make choices for September 2005.

At this juncture (1.15 p.m.) the meeting adjourned for 30 minutes to allow Members to participate in refreshments.

890 URGENT ITEMS

There were no Urgent Items

QUESTION AND ANSWER SESSION

There were no outstanding questions.

EXCLUSION OF PRESS AND PUBLIC

RESOLVED under Section 100A(4) of the Local Government Act 1972 the Press and Public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 5, 7, 8, 9 and 10 of Part 1 of Schedule 12A of the Local Government Act 1972.

PART II

891 MINUTES OF THE CABINET

The Minutes of the Cabinet meeting held on 13 January 2004 were submitted.

Item 4 TAITH Constitution: The Chief Executive updated Members with regard to the request that Cabinets should agree the recommendation as to which of the North Wales Authorities would be the lead authority. He said Finance Officers would be scrutinising all the finances of the Consortium.

After discussion it was:

RESOLVED that Denbighshire withdraw its request that Cabinet endorsement of the proposed management authority was required.

892 3 YEAR CAPITAL PLAN

Councillor E A Owens presented the report for Members to note the capital investment requirements for the 2004/2005 General Funded element of the Capital Plan and to recommend to Council the strategy proposals as set out in paragraph 8 of the report.

As outlined, the rolling forward of the Block Allocations in full allowed no room for additional projects. She therefore suggested that the following should be included in the capital plan:

Disability access
Best Value Leisure Allocation
Customer Contact Centre
E-payments
Work on Morfa Clwyd to house the Registrar's Service
Software for decriminalisation
Health and Safety for Care Homes
ICT for Disaster Recovery / Emergency Generator
Youth clubs
Existing shortfall

funded by a 50% withholding in Block Allocations until capital receipts available

Councillor E C Edwards asked whether the Glasdir monies were being used to fund the vehicle maintenance depot. Councillor E A Owens said the cost for the vehicle maintenance depot was being funded from the Glasdir capital receipt / contract services reserves and that the proposals assume finance for remodelling the depot at Lon Parcwr would not be required until 2005-2006.

The Chief Executive reported that ELWa had informed the Council on Monday that £3m funding would not now be available for funding of community learning resource centres, although ELWa had included this in their strategy for North Wales for the past 12 months. Match funding from Objective 1 was now at risk. Members discussed the situation in detail and agreed that strong representations be made to ELWa on 30.01.2004. It was also agreed that ELWa be billed for all design costs incurred to date.

Members agreed that Assembly Members be contacted direct regarding the situation and further agreed it was appropriate a press notice from the Cabinet regarding the situation should be issued as soon as possible. The Welsh Assembly Government were responsible for ELWa and funding should not be discontinued after 12 months.

RESOLVED that Cabinet recommends to Council:

- [a] that after allowing for rollover costs of existing schemes, block allocations of 50% of earlier financial years form the basis of the initial Capital Plan for 2004/2005, to enable priority schemes outlined at the Cabinet meeting to be included in the Capital Plan.
- [b] that the potential Prudential Borrowing schemes listed in Appendix 1 are recommended to Council for inclusion in the Capital Plan strategy for 2004/05 and future years, along with schemes to be financed by earmarked capital receipts and reserves.
- [c] the schemes identified from the Service Asset Management Plans and the Service priorities are reviewed and prioritised for inclusion in the Capital Plan when sufficient capital receipts have been generated.

893 CORWEN TOWN FLOOD ALLEVIATION SCHEME: EXTENSION OF CONSULTANCY AGREEMENT

Councillor M A German presented the report seeking Members' approval to an extension of a contract with a consultant previously commissioned by single tender action.

RESOLVED that Cabinet approve the extension of the existing contract as detailed in the report in accordance with Contract Standing Orders.

894 EXEMPTION TO CONTRACT STANDING ORDERS: PROCUREMENT OF IT INFRASTRUCTURE

Councillor M A German presented the report seeking Members' agreement to an exemption from the tendering procedure as required by Contract Standing Orders to allow a contract to be awarded for the procurement of an IT system for decriminalised parking enforcement to the lowest compliant price received under a quotation procedure.

RESOLVED that Members agree to an exemption from the tendering procedure, as required by Contract Standing Orders, to allow a contract to be awarded for the procurement of an IT system for Decriminalised Parking Enforcement to the lowest compliant price received under a quotation procedure.

895 COMMUNITY PROJECTS BLOCK ALLOCATION

Councillor E A Owens presented the report seeking Members' agreement to reallocate a community project grant previously awarded to Llandegla Community Council for the provision of changing facilities to be used for the purchase of play equipment.

Members received a letter of support for the reallocation of the grant from Councillor D M Holder, Local Member.

RESOLVED that Cabinet approves the reallocation of the community project grant previously awarded to Llandegla Community Council to allow it to be used for the purchase of play equipment

The meeting concluded at 2.25 p.m.
